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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

EASTERN DIVISION – RIVERSIDE

BLUETRITON BRANDS, INC.,	Case No. 2:24-cv-09720-JGB-DTB
Plaintiff, v.	SUPPLEMENTAL BRIEF IN SUPPORT OF MOTION FOR PRELIMINARY INJUNCTION
UNITED STATES FOREST SERVICE, et al.,	Hearing Date: January 13, 2025 Hearing Time: 9:00 AM

Defendants.

Judge: Hon. Jesus G. Bernal
Action Filed: August 6, 2024

Courtroom: 1

2:24-CV-09720-JGB-DTB

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On August 6, 2024, Plaintiff BlueTriton Brands, Inc. (BlueTriton) moved for a preliminary injunction to enjoin the United States Forest Service's (USFS) unlawful denial of BlueTriton's use of a right-of-way through the San Bernardino National Forest (SBNF) to transport water BlueTriton has collected for over a century from Arrowhead Springs in Strawberry Canyon pursuant to 150-year-old vested water rights. ECF No. 2. Since 1930, USFS has conditioned BlueTriton's access through permits. ECF No. 2.

The USFS's July 27, 2024, denial of BlueTriton's application to renew its permit would eliminate BlueTriton's access to its water and require removal of the water collection system BlueTriton installed and maintained over decades. The USFS allowed BlueTriton to use the system through September 2, 2024, but only to deliver water to the San Manuel Band of Mission Indians (SMBMI). ECF No. 15-21. USFS subsequently continued that limited authorization through January 15, 2025. ECF No. 27-1. After the case was transferred to this Court, BlueTriton requested a further extension, but USFS has thus far refused. ECF No. 59. Starting January 16, 2025, USFS will be free to order BlueTriton to implement the approved decommissioning plan at an unrecoverable cost to BlueTriton of roughly \$12MM. ECF No. 34.

In this litigation, the USFS argues that it based its challenged actions on the California State Water Resources Control Board's September 2023 Order, which found that BlueTriton lacked appropriative right to the water collected at some, but not all, of the sources at Arrowhead Springs. ECF No. 2-1 at 11. BlueTriton challenged the Order, and the reviewing State court stayed it. The parties in that State court litigation have agreed in principle on a briefing and hearing schedule on dispositive cross-motions that allows for hearing on March 12, 2025.

BlueTriton's preliminary-injunction motion is governed by the familiar fourpart Winter test. All. For the Wild Rockies v. Cottrell, 632 F.3d 1127, 1131 (9th Cir. 2011). The Ninth Circuit has expressly endorsed the "sliding scale" approach to preliminary injunctions. *Id.* "[W]here parties cannot typically recover monetary

damages flowing from their injury—as is often the case in APA cases—economic harm can be considered irreparable." *E. Bay Sanctuary Covenant v. Biden*, 993 F.3d 640, 677 (9th Cir. 2021).

As to the merits, the principles underlying BlueTriton's APA challenge flow from Supreme Court precedent, *see* ECF 2-1 at 17-22, so they apply the same in this Court as in D.C. Furthermore, this Court is bound by *Adams v. United States*, 3 F.3d 1254, 1260 (9th Cir. 1993), which recognizes the federal government's obligation to respect vested water rights and grant the rightsholder a right-of-way to access that water, subject only to "reasonable regulation." Beyond its premature reliance on a stayed State agency order, USFS's failure to even acknowledge its prior recognition of BlueTriton's vested rights is reason enough to find BlueTriton likely to succeed on the merits and thus entitled to the requested preliminary injunction. *See* ECF 26 at 4.

Dated: January 8, 2025 HUNTON ANDREWS KURTH LLP

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CERTIFICATE OF COMPLIANCE

The undersigned counsel of record for Plaintiff BlueTriton Brands, Inc., certifies that this brief contains 488 words, which complies with Local Rule 11-6.1

Dated: January 8, 2025

HUNTON ANDREWS KURTH LLP

By: /s/ George P. Sibley, III
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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 years and not a party to this action. My business address is 550 South Hope Street, Suite 2000, Los Angeles, California 90071-2627.

On January 8, 2025, I served the foregoing document(s) described as

SUPPLEMENTAL BRIEF IN SUPPORT OF MOTION FOR PRELIMINARY **INJUNCTION**

on the interested parties in this action as follows:

SEE ATTACHED SERVICE LIST

- **By MAIL:** by placing true and correct copy(ies) thereof in an envelope addressed to the attorney(s) of record, addressed as stated above.
- **By PERSONAL SERVICE:** I delivered the envelope by hand on the addressee, addressed as stated above.
- By OVERNIGHT MAIL: by overnight courier, I arranged for the abovereferenced document(s) to be delivered to an authorized overnight courier service for delivery to the addressee(s) above, in an envelope or package designated by the overnight courier service with delivery fees paid or provided for.
- $\overline{\mathbf{Q}}$ By ELECTRONIC MAIL: by causing a true and correct copy thereof to be transmitted electronically to the attorney(s) of record at the e-mail address(es) indicated above.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on January 8, 2025, Los Angeles, California.

/s/ Anuradha Das Anuradha Das